

UAC INSURANCE MUTUAL

Board of Trustees Meeting

Thursday, January 23, 1996, 1:00 p.m.

UAC Offices

4021 South 700 East, Suite 180, Salt Lake City

A G E N D A

1:00 Lunch Provided

Call to Order	Gary Herbert
Review of Board Members Absent	Gary Herbert
Approval of December 19, 1996, Minutes	Gary Herbert
Review of December Financial Statements	Brett Rich
Director's Report	Brett Rich
Broker's Report	Rich Stokluska John Chino
Summary of Loss Prevention Activities	David Nelson
Risk Management Program Amendments	Brett Rich
Introduction of Curt Hamby, McLarens Toplis	Brett Rich
Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	
Set Date and Time for Closed Meeting to Discuss the Character, Professional Competence, or Physical or Mental Health of an Individual	

4:00 Adjourn

4021 South 700 East, Suite 180
Salt Lake City, Utah 84107

UACIM BOARD OF TRUSTEES MEETING

M I N U T E S

January 23, 1997, 1:00 p.m., UAC Offices, Salt Lake City

Board Members Present:

Gary Herbert, *President*, Utah County Commissioner
Gerald Hess, *Vice President*, Davis County Deputy Attorney
Monte Munns, *Secretary*, Box Elder County Assessor-Treasurer
Sid Groll, *Comptroller*, Cache County Sheriff
Tony Dearden, Millard County Commissioner
Ty Lewis, San Juan County Commissioner
Sarah Ann Skanchy, Cache County Council Member
Gary Sullivan, Beaver County Commissioner

Board Members Absent:

Curtis Dastrup, Duchesne County Commissioner

Others Present:

Brent Gardner, UAC Executive Director
Brett Rich, Director, UACIM
Sonya White, UACIM Administrative Assistant
David Nelson, UACIM Loss Prevention Manager
Doug Alexander, McLarens Toplis Claims Manager
Curt Hamby, McLarens Toplis Account Executive
Rich Stokluska, GRMS Account Executive

CALL TO ORDER

Gary Herbert requested that Gerald Hess chair this meeting until his arrival. Gerald called the meeting to order.

REVIEW OF BOARD MEMBERS ABSENT

Curtis Dastrup phoned the UAC Offices and explained that he will be involved on the Wildlife Board every fourth Thursday of each month. Therefore, he will be unable to attend the UACIM Board meetings if they continue to be held on the fourth Thursday. Sarah Ann Skanchy made a motion to excuse Curtis from the December 19th meeting and from the meeting today. Ty Lewis seconded the motion and the motion passed unanimously.

1997 MEETING SCHEDULE

Due to the recent conflict for Curtis Dastrup to attend the UACIM Board meetings on the fourth Thursday of each month, Gary Herbert made a motion to change the UACIM Board meetings from the fourth Thursday to the second Thursday of each month subject to Curtis' availability. Sid Groll seconded the motion and the motion passed unanimously. The Board directed Sonya White to re-publish the new schedule.

APPROVAL OF DECEMBER 19, 1996, MINUTES

The minutes from the Board of Trustees meeting were previously sent to the Board Members for review. Gerald Hess requested the following correction under DIRECTORS REPORT Squire & Company Contract to read: *Ty Lewis made a motion for Brett to review the contract between Squire & Company and UACIM with Bill Peters, UAC's retained attorney, and Kent Sundberg to finalize the contract for signature by and authorized the UACIM President, Gary Herbert, to sign.* Ty Lewis made a motion to approve the minutes as corrected. Monte Munns seconded the motion and the motion passed unanimously.

REVIEW OF DECEMBER FINANCIAL STATEMENTS

The financial statements for the month ending December 31, 1996, were previously sent to the Board Members for review. Brett Rich explained that this will be the final month that the financial statements will be prepared by Aon Insurance Management Services. Brett reviewed the financial statements with the Board, emphasizing any areas of concern for the loss prevention department and noting that UACIM has not received the total amount recoverable for 1992 paid losses from AIG. Brett will send notice to AIG requesting immediate attention to this matter. Monte Munns made a motion to accept the December 1996 financial statements as presented. Sid Groll seconded the motion and the motion passed unanimously. Brett also prepared charts comparing the total incurred losses by year at 12 months progression and at 24 months progression. Several large claims came in last month making 1996 chart out at the second worse claim year. McLarens Toplis is in the process of changing the claims information data to the new Top Cat system, therefore they are slow closing claims for December 1996.

DIRECTOR'S REPORT

Squire & Company Brett Rich reported that the contract between UACIM and Squire & Company was finalized, signed by Gary Herbert and delivered. Squire has begun to prepare the annual yellow blank and will prepare the financial statements beginning the month ending January 1997. Brett received a bid from Squire in the amount of \$7,600 to perform the 1996 annual audit along with a letter from Ray Bartholomew addressing the issue of Squire performing both the accounting and audit and the methods by which they comply to maintain independence.

Gallagher Risk Management Services Brett explained that the contract between UACIM and GRMS was finalized, signed by Gary Herbert and delivered to GRMS.

Losses Pursuant to the Board request, Brett drafted a letter of thanks to Keri Chappell for her efforts in correcting the loss data for the UACIM.

DIC Coverage Brett explained that seven of the 12 counties interested in purchasing the additional flood and earthquake coverage have agreed to pay the additional premium. Three counties are undecided, two counties have decided against purchasing the additional coverage and one new county has decided to participate. GRMS has explained that \$30,000 is the minimum premium that UACIM needs to collect for this coverage. Therefore, only one of the three undecided counties need to purchase the additional coverage to reach that minimum amount. Brett noted that one of the member counties received a quote from an independent agent in the amount of \$20,000 for the same limit of coverage. Because of the buying power UACIM has now with GRMS, we can offer this additional coverage for ten times less.

BROKER'S REPORT

Rich Stokulska reported that Great American, GRMS and Brett Rich are striving to have the excess insurance policy ready by the end of January. The Certificates of Insurance and Identification Cards have been sent to Sonya White for distribution to the member counties. A Builder Risk policy is in place for three counties that are completing the construction of new buildings. St. Paul originally bound coverage in 1996 and the unused premium will be refunded.

INTRODUCTION

Brett Rich introduced Curt Hamby, Account Executive of McLarens Toplis, to the Board. Curt explained that two years ago he was retained by Aon Insurance Management Services to audit the UACIM claim files, therefore, he is very familiar with the account. He briefly reviewed the background of McLarens Toplis and explained the process of changing the claims information system. The Board thanked Curt and welcomed him to UACIM.

SUMMARY OF LOSS PREVENTION ACTIVITIES

David Nelson reviewed his 1996 goals and objectives with the Board explaining that the majority of the goals were reached and objectives met. He reviewed the process used to set-up, complete and report the UACIM member county risk review as well as the check-off list used for the Risk Management Program. David also reviewed his 1997 goals and objectives.

Upon reviewing the documents prepared by David, the Board directed him to spend more time reviewing the member counties' personnel policies and procedures. Apparently, one of the counties who had been checked-off as having a complete personnel manual did not and a civil rights claim may be filed against this county. The Board directed Brett Rich to work on a standardized personnel policy and procedures manual that the member counties may use as an example in customizing their own manual. The Board stressed the importance of a thorough risk review in each county. The Board also stressed the importance of continued loss prevention training and offered suggestions for some of the problems that the Loss Prevention Department has been experiencing in this area.

RISK MANAGEMENT PROGRAM AMENDMENTS

Brett Rich reviewed proposed changes to the Risk Management Program for 1997. Ty Lewis made a motion to change §11 RENEWAL MATERIALS to a prerequisite. Sid Groll seconded the motion and the motion passed unanimously. As for proposed changes to §4.1, 4.2 and 4.6, the Board requested more time to review these changes and will discuss them at the next meeting.

SET DATE AND TIME FOR CLOSED MEETING

Ty Lewis made a motion to set the date and time for a closed meeting to begin at 3:00 p.m. on January 23, 1997, to discuss pending or reasonably imminent litigation. Sarah Ann Skanchy seconded the motion and the motion passed unanimously.

Gerald Hess made a motion to conclude the closed meeting at 3:20 p.m. on January 23, 1997. Gary Sullivan seconded the motion and the motion passed unanimously.

SET DATE AND TIME FOR CLOSED MEETING

Monte Munns made a motion to set the date and time for a closed meeting to begin at 3:20 p.m. on January 23, 1997, to discuss the character, professional competence, or physical or mental health of an individual. Gary Sullivan seconded the motion and the motion passed unanimously.

Sarah Ann Skanchy made a motion to conclude the closed meeting at 4:35 p.m. on January 23, 1997. Monte Munns seconded the motion and the motion passed unanimously.

OTHER BUSINESS

Pursuant to the direction of Board, Sonya White purchased a thank you gift for Ken Brown and Robert Gardner. The Board and staff all signed a card of thanks to go with the gift.

The next meeting of the Board of Trustees will be held February 13, 1997, at 1:00 in the UAC offices.

UACIM
LOSS PREVENTION DEPARTMENT
1996 Goals and Objectives

David L. Nelson, Loss Prevention Manager

1. Visit each member county twice yearly on a formal risk review. The visits will be separated by a six month period of time. Each visit will result in a written report of findings and recommendations which will be sent to the county commission or council. Follow-up notices will be sent to counties not responding to the report in a timely manner.
2. Provide loss prevention training at least once during the year to all county drivers in each member county. This normally will be accomplished during the county risk review visits.
3. Conduct loss prevention training three times during the year—March, June and September—on a state regional basis. the training at each of the three times will deal with a different topic.
4. Provide loss prevention training for county attorneys at the annual UAC/SWAP meetings held in November.
5. Meet with the commission or council of each member county at least once during the year. This normally will be accomplished during the county risk review visits.
6. Initiate the meeting of the Personnel and Law Enforcement Loss Prevention Committees. They should meet at least four times (quarterly) during the year.
7. Develop and implement a self inspection and/or evaluation program for member counties.
8. Provide loss prevention material for the Mutual Matters newsletter. This is published four times per year (quarterly).
9. Attend and participate in the annual Road School sponsored by the ULCT.

UAC INSURANCE MUTUAL
1996 County Risk Reviews

COUNTY	1996 VISITS	RECOMMENDATIONS SENT	FIRST FOLLOW-UP	SECOND FOLLOW-UP	REPLY RECEIVED
Beaver	June 4-5, 1996	July 2, 1996	August 2, 1996		
Box Elder	February 8-9, 1996	March 5, 1996			March 28, 1996
	July 17, 1996	July 23, 1996			September 20, 1996
Cache	July 2-3, 1996	July 9, 1996			
	December 4, 1996				
Davis	May 20-21, 1996	June 3, 1996	October 24, 1996		November 1, 1996
	December 30, 1996	January 9, 1997			
Duchesne	April 11, 1996	April 12, 1996	May 16, 1996		August 21, 1996
	September 13, 1996				
	October 9, 1996				
Emery	June 6-7, 1996	July 2, 1996	August 2, 1996		August 12, 1996
	December 20, 1996				
Garfield	July 12, 1996	July 15, 1996			November 8, 1996
	October 31, 1996	November 1, 1996			November 19, 1996
Grand	June 10-11, 1996	July 2, 1996			July 19, 1996
	December 5-6, 1996				
Iron	April 15-16, 1996	May 20, 1996	August 2, 1996		
	November 19-20, 1996				
Juab	February 5-6, 1996	March 5, 1996			April 22, 1996
	August 20, 1996	October 2, 1996	November 22, 1996		December 6, 1996
Kane	July 29-30, 1996	August 5, 1996			
	November 5, 1996	November 22, 1996			December 20, 1996
Millard	March 25-26, 1996	May 13, 1996			July 19, 1996
	August 14, 1996	October 2, 1996			October 11, 1996
Piute	February 12, 1996	March 6, 1996	May 16, 1996	August 13, 1996	
	August 8, 1996	August 13, 1996			
	October 1, 1996				
Rich	May 9, 1996	May 17, 1996	August 2, 1996		August 16, 1996
	November 6, 1996				
San Juan	June 12-13, 1996	July 2, 1996			July 10, 1996
	November 21-22, 1996				
Sanpete	January 29 & 31, 1996	March 4, 1996	May 16, 1996		August 5, 1996
	July 22, 1996	July 23, 1996			August 5, 1996
Sevier	March 28, 1996				
	July 18, 1996	July 23, 1996			August 8, 1996
Uintah	March 18-19, 1996	April 9, 1996			May 16, 1996
	September 16-17, 1996				
Utah	February 26-28, 1996	March 7, 1996			March 27, 1996
	August 26-28, 1996	October 2, 1996			October 30, 1996
Wasatch	April 17, 1996				
	October 22, 1996	October 24, 1996	November 26, 1996		
Washington	April 22-23, 1996	May 17, 1996	August 2, 1996		
	November 11-12, 1996				
Wayne	February 14-15, 1996	March 6, 1996	May 16, 1996	August 13, 1996	
	August 9, 1996	August 13, 1996			

MEMORANDUM

Date: May 13, 1996
To: Brett
From: David
Subject: County Risk Review

The following process is used to set up, complete and report the UACIM member county risk review:

- 1.) Identify dates that will not conflict with UAC or related functions.
- 2.) Contact county coordinator to clear proposed risk review dates. At the same time, explain the risk review process.
- 3.) Forward a written confirmation of number 2 to the respective county coordinator.
- 4.) Prior to conducting the county risk review, examine the county loss prevention file and note status of previous risk review recommendations, as well as, recent loss/claim history for the county. This information will be used to determine what areas to apply loss prevention measures during the risk review. Unfinished or contested recommendations will be discussed and loss/claim history will indicate areas of concentration for recommendations and training.
- 5.) Upon my arrival in the county, contact the UACIM coordinator and accomplish the following:
 - a. Go over the check-off list (see attached). Depending on answers, this will develop recommendations.
 - b. Receive names of individuals who will accompany me on facility surveys and set times of surveys.
 - c. Receive times of set training meetings. All county drivers are meeting for training in 1996 first year risk review.
 - d. Discuss concerns and answer questions.
- 6.) Visit county facilities and note needed recommendations. County representative will accompany me.
- 7.) Review identified county policy and procedures. Develop needed recommendations.
- 8.) Conduct set training meetings. Attendance roll is taken. Driver's training meeting includes the following:
 - a. Update on loss prevention activities with UACIM.
 - b. Review county auto physical damage claims, as well as, relevant UACIM claims. Discuss preventative measures.
 - c. Show relevant video on driving loss prevention.
 - d. Answer and discuss concerns and questions.
- 9.) Have exit interview with county coordinator and discuss risk review findings.
- 10.) Complete and forward a written report to county commission chairperson and coordinator. This report will contain developed recommendations, our expectations as to completion and time frame and related information.
- 11.) Follow-up on risk review report response, if necessary.

RISK REVIEW CHECK OFF LIST

County: _____

Date: _____

1. Personnel Policy and Procedures
 - a. personnel director assigned? (yes) (no)
 - b. written policy and procedures? (yes) (no)
 - c. contain personnel discipline? (yes) (no)
 - d. contain accountabilities for job safety? (yes) (no)
 - e. employees familiar with policy - signed off? (yes) (no)
 - f. contain termination procedures? (yes) (no)
2. Drug Policy and Procedures
 - a. written policy? (yes) (no)
 - b. employees been trained? (yes) (no)
 - c. records being maintained? (yes) (no)
 - d. policy been reviewed? (yes) (no)
3. Accident Review Board
 - a. in place? (yes) (no)
 - b. meeting often enough? (yes) (no)
 - c. minutes kept? (yes) (no)
 - d. reviewing all accidents? (yes) (no)
4. Loss Prevention Team/Safety Committee
 - a. in place? (yes) (no)
 - b. functioning? (yes) (no)
5. Road Department Sign Inventory Program
 - a. in place? (yes) (no)
 - b. signs checked and replaced regularly? (yes) (no)
6. Driver Training, DDC or similar? all drivers passed? (yes) (no)
7. Special Service Districts review (yes) (no)
8. Written Agreements with County Facility Users? (yes) (no)
9. Written Agreements with County Contractors? (yes) (no)
10. Equipment Replacement Policy? (yes) (no)
11. Sexual Harassment Policy
 - a. written policy? (yes) (no)
 - b. employees trained and signed off? (yes) (no)
12. Alcoholic Beverages allowed in County Facilities/Functions? (yes) (no)
13. County Driver MVR's
 - a. checked every year? (yes) (no)
 - b. driving restrictions applied when necessary? (yes) (no)
14. Utah Jail Standards
 - a. adopted by county? (yes) (no)
 - b. implemented or in process of? (yes) (no)
15. Outstanding Recommendations from previous Risk Reviews? (yes) (no)

MEMORANDUM

Date: April 10, 1996
To: Brent
CC: Brett
From: David
Subject: PC for my office

Brent, I continue to do all of my report writing, memos and other record keeping documentation on my lap top machine. It is slow and quite cumbersome to use as a desk top machine, while doing this amount of work. I would like to request the installation of a desk top machine for use in my office. Also, it would be a great time saver and would be much more efficient to be attached to the office network, especially the printer. I would continue to use my lap top in the field but would make greater use of a desk top unit while in the office. Thanks for your consideration in this request.

Date: January 23, 1997
To: UACIM Board of Directors
CC: L. Brent Gardner, UAC Director and Brett Rich, UACIM Director
From: David L. Nelson, UACIM Loss Prevention Manager
Subject: 1997 UACIM Loss Prevention Manager Work Objectives

It is my objective during the year 1997 to accomplish the following:

1. Visit each member county **twice** annually on a formal risk review. In 1997, concentrate on Public Safety facilities and operations. Consult loss trends for each county in order to guide the review and provide appropriate training and consulting. Reintroduce the Risk Management Premium Credit Program on the first visit. Complete a Premium Credit Analysis on the second visit. The visits will be separated by a six months period of time. Each visit will result in a written report of findings and recommendations which will be sent to the county commission or council. Follow-up notices will be sent to counties not responding to the report in a timely manner.

2. Provide loss prevention training at least **once** during the year to all county drivers in each member county. This normally will be accomplished during the county risk review visits.

3. Conduct loss prevention training **three** times during the year on a statewide regional basis. March, June and September have been identified as the training months. The training topic for each of the three months will be determined by UACIM Loss Prevention needs.

4. Meet with the commission or council of each member county at least **once** during the year. Discuss county loss trends and loss prevention needs. This normally will be accomplished during the county risk review visits.

5. Initiate the meeting of the Personnel and Law Enforcement Loss Prevention Committees. They should meet at least **four** times (quarterly) during the year.

6. Implement a self evaluation program for member counties.

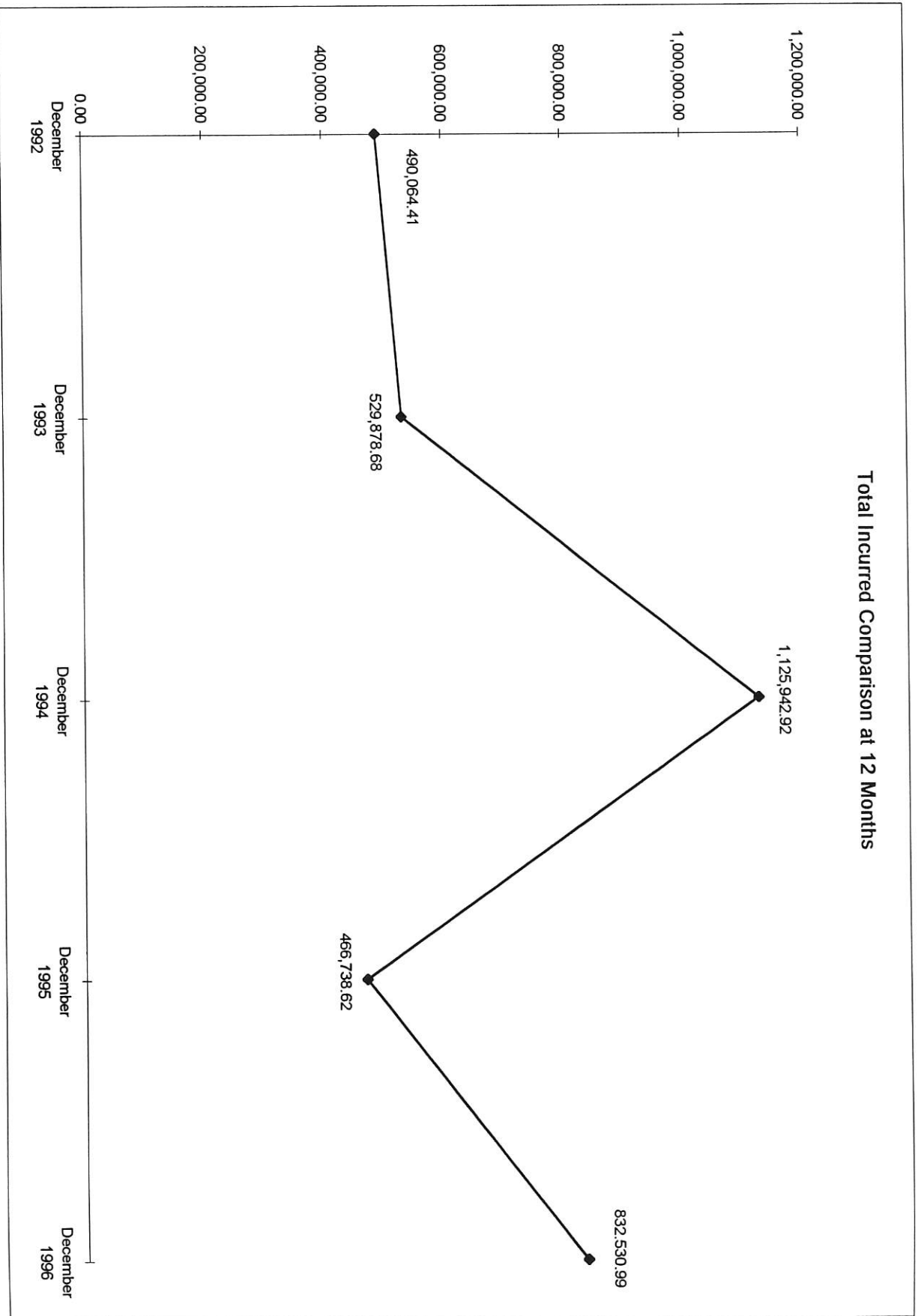
7. Provide loss prevention material, as necessary, for the UACIM *Mutual Matters* newsletter. This is published **four** times per year (quarterly).

8. Attend and participate in the annual Road School sponsored by the ULCT.

9. Attend at least **two** loss prevention related conferences for my own professional certification requirements, self improvement and for the benefit of UACIM Loss Prevention.

10. Make attempts to enlarge upon the loss prevention lending library and obtain code books needed for risk review report referencing.

Total Incurred Comparison at 12 Months



Total Incurred Comparison at 24 Months

